



Department of Justice

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FIVE HAVE ENTERED GUILTY PLEAS IN MORTGAGE FRAUD SCHEME

CINCINNATI – A Dayton father and son pleaded guilty in United States District Court here for their roles in an extensive mortgage fraud scheme that affected 210 residential properties, including 205 in Montgomery County.

Edward McGee, 74, pleaded guilty to conspiracy to commit money laundering and Kenneth O. McGee, 49, pleaded guilty to one count of conspiracy to commit mail fraud, wire fraud and money laundering, and one count of conspiracy to commit money laundering.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio, Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation; Jose Gonzalez, Special Agent in Charge, Internal Revenue Service Criminal Investigation, and other members of the Dayton Mortgage Fraud Task Force announced the pleas entered yesterday before U.S. District Judge Michael A. Barrett.

In court, both men admitted that they were part of the conspiracy that operated and controlled various real estate mortgage and title insurance related businesses and corporations with the object of entering into a scheme to defraud in order to wrongfully obtain monies, profits, real property and other things of value.

Each man admitted that he had helped arrange, facilitate and manipulate documents associated with real estate sales and closings in order to fraudulently obtain excess mortgage loan proceeds generated from the sale of residential properties for the personal benefit of the defendant and his co-conspirators.

With yesterday's pleas, five people have pleaded guilty to participating in the scheme that took place between March 2002 and June 2008.

Julian M. Hickman, 31, formerly of Centerville and now living in East Cleveland, pleaded guilty on December 15, 2008 to conspiracy and tax crimes.

Robert Mitchell, 42, Vandalia, pleaded guilty on March 11, 2009 to one count of conspiracy to commit mail fraud, wire fraud and money laundering, and one count of conspiracy to commit money laundering.

Kamal J. Gregory, 34, Centerville, pleaded guilty April 14, 2009 to one count of conspiracy to commit mail fraud, wire fraud and money laundering, and one count of conspiracy to commit money laundering.

Each of the conspiracy charges is punishable by up to 20 years imprisonment. All five are awaiting sentencing.

Agencies participating in the Greater Dayton Mortgage Fraud Task Force in addition to the FBI and IRS include the Ohio Department of Commerce Division of Financial Institutions, Ohio Attorney General Richard Cordray's Office, the U.S. Postal Inspection Service, the U.S. Department of Housing and Urban Development Office of Inspector General, and the Perry Township Police Department.

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